

**Reconciliation of Changes in Fund Balances of Governmental
Funds to the Statement of Activities
June 30, 2004**

Net change in fund balances - total governmental funds (page 37)	\$ 195,256,990
Amounts reported for the governmental activities in the statement of activities (page 31) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	18,641,258
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,038,073)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(271,061,430)
Changes in other long-term liabilities other than in internal service funds	4,280,527
Internal service funds are used by management to charge the costs of central services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>7,251,261</u>
Change in net assets of governmental activities (page 31)	<u>\$ (46,669,467)</u>

The notes to the financial statements are an integral part of this statement.